Policy (NELP) for crude petroleum, National Electricity Policy for accelerated development of Power Sector, setting up of mega projects by private sector, formulation of National Steel Policy etc.

Sector-Specific Refund to Exporters affected by Increase in Rupee Value

101. SHRI B.J. PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is proposed to provide sector-specific package for refund to exporters who would be hit by sharp increase in rupee value;

(b) if so, the details thereof; and

(c) what is the export target for 2007-08 and how far will we be able to achieve this with the above incentives?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) While there have been a number of relief measures announced by the Government in the context of rupee appreciation, following are the sector specific relief measures:

(i) Duty Entitlement Passbook Scheme (DEPB) at the rate of 3% in respect of nine sectors- Textiles (including handlooms), Readymade garments, leather products, handicrafts, engineering products, processed agricultural products, marine products, sports goods and toys.

(ii) Subvention in the rate of interest of credit by 2% on the outstanding balances for the period 1.4.2007 to 31.3.2008 in respect of the following sectors: Textiles (including handlooms), Readymade garments, leather products, handicrafts, engineering products, processed agricultural products, marine products, sports goods, toys, all exporters from the SME sector, jute and carpets, cashew, coffee and tea, solvent extraction and de-oiled cake and plastics and linoleum.

Additional subvention of 2% in respect of following sectors: leather and leather manufacturers, marine products, all categories of textiles including readymade garments and carpets but excluding manmade fibre, and handicrafts.

(iii) The coverage under Vishesh Krishi and Gram Udyog Yojna, a scheme aimed at promoting export of agriculture and village industry products, was expanded to include additional products and the budget allocation was doubled from Rs. 300 crores to Rs. 600 crores.

(iv) Exemption of Service Tax in respect of Business Exhibition Services in respect of Textiles Sector.

(c) Export target for 2007-08 in US$ 160 billion. As against this target, export reached a level of US$ 111 billion during April-December, 2007 with a growth rate of 21.76% over the corresponding period of the previous year.